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 AGRICULTURAL ADJUSTMENT ADMINISTRATION

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 JUL 11 1935  
 U. S. Department of Agriculture

# Opportunities Ahead for Rural Youth

**Highlights:** Much depends upon the decisions that the American people will make during the next quarter century. These decisions will be made largely by those who are the youth of today. About half of these young people are in rural areas.

The elastic mind of youth can appreciate the necessity for a balanced agriculture and can share in the rewards of this accomplishment.

Farmers of the United States have shown in the last 2 years that they do not wish to carry on their farming operations haphazard, without regard to supply and demand conditions in this country and the rest of the world.

If American farmers insist on producing the same quantities of wheat, corn, hogs, and cotton as in the 1920's, it seems certain that they will have to accept very low and unsatisfactory prices. Until foreign trade can be revived, or some way is found to boost domestic demand, farmers apparently will need to continue adjusting production to fit demand, if they want to avoid a return to such conditions.

## I. Why Choose Farming As a Life Work?

**THE FARMER** deals with life—plant life, animal life, and human life. Crops are planted and harvested year after year. Individual plants die and disappear, but the production of wheat and corn and cotton goes on without end. The farmer raises hogs, sheep, cattle, horses, and chickens. Individual animals are slaughtered or die, but the species persists.

Agriculture is based on this fact of reproduction. The farmer is the heir of all the ages, with an opportunity to benefit all the ages to come.

It is this knowledge of and respect for life that gives the farmer his love for land and his farm home. The teaching of domestic science or home economics in State universities originally began in the agricultural college. The right kind of home life is one great need of the Nation today.

**The Farmer Lives Longer.**—Despite poor sanitary facilities in many farm homes, there is said to be less sickness among the farm population than among the city population and there is statistical evidence that the duration of life is considerably longer. The Bureau

*Prepared in the Division of Information.*

of the Census publishes what are known as expectation of life tables. From a survey made in 15 large cities and among farm people in 1920, it was learned that the new-born child is likely to live 6 or 7 years longer on the farm than in a large city, and even young people at the age of 17 are likely to live 3 to 5 years longer in the country than in the city.

**Decline in Population Noticeable in Cities.**—In 1920 there were just about enough children in cities of over 100,000 population to hold population even. The cities grew because of immigration from Europe and migration from the farms. In 1930 the census showed from 20 to 25 percent deficit in these larger cities in number of children necessary to retain their population. In the small cities there was 10 percent deficit.

On the other hand, in the village population there was a 30 percent surplus in children and in the farm population a 50 percent surplus above the number needed to maintain a stationary population. With immigration from Europe now greatly reduced, it is clear that the cities are dependent on farm and village not only for a permanent increase of population but to prevent a decline a few years hence. If the birthrate declines much further and no increase in immigration is permitted, the natural increase of the rural population will not be enough to prevent a decline in the city population, nor in the total population of the Nation. Young people who move to the cities should realize the grave danger that their families might die out.

**Living Conditions.**—Information with regard to food has been compiled by the Bureau of Agricultural Economics from 2,400 farm families scattered in several States, both in the North and in the South, and considered by experts to be a fair sample of the entire farming population. The United States Bureau of Labor Statistics collected similar information from 12,000 workingmen's families in the cities.

Before the depression, the farm families, it was found, were consuming about 50 percent more protein, 50 percent more calcium, 40 percent more phosphorus, and 30 percent more iron than the standard ration necessary for good nutrition, while the workingmen's families had barely enough protein and had a deficiency of 16 percent in calcium, 10 percent in phosphorus, and 15 percent in iron. The farm families ate 40 to 100 percent more meat, eggs, milk, fruits, and vegetables than did the workingmen's families, who depended more on cereals.

**Farm Homes Need Improvements.**—In housing, farm families have never been so well off as city families. In these surveys it was found that farm houses had more rooms than city houses, but fewer modern conveniences. Only about 6 percent of the farm houses were completely modern; 21 percent were partially modern; and 73 percent were not modern.

Recent investigations by relief workers of the Federal Emergency Relief Administration have uncovered the fact that many rural families, even before the depression, were not receiving enough return for their labor to make them effective purchasers of the products of industry in the general market.

## II. The Farm Crisis of 1932

Less than 3 years ago this country was in the midst of a crisis. Between 1923 and 1932 half the banks of the nation had failed. Business houses had gone bankrupt in a wholesale way following 1930. One farmer out of 13 had lost his farm from 1929 to 1932.

The buying power of the farmer had been low for a long time. In only 5 years of the period from 1914 to 1932 had the farmer's dollar been worth, in terms of goods farmers buy, what it was before the World War.

Back in 1920-21, farm prices had plunged downward, and returns per acre for basic crops were drastically reduced. Land values declined along with per acre returns, but at the same time there was no drop in the mortgage burden. Farmers could neither wipe out their debts by selling out nor earn enough off their lands to support their farms. The total farm-mortgage debt, which in 1910 had been only  $3\frac{1}{3}$  billion dollars, had by 1930 become  $9\frac{1}{4}$  billion dollars and in 1933 was  $8\frac{1}{2}$  billion dollars.

**Farm Buying Power Shrinks.**—By the end of 1932, purchases by farmers had largely ceased. The total cash income of farmers dropped from a little less than  $10\frac{1}{2}$  billion dollars in 1929 to a little less than  $4\frac{1}{3}$  billion in 1932.

**Unemployment—4 Million Walk Streets.**—As farmers' buying power dried up, city breadlines grew longer. At the depth of the depression, it is estimated that 4 million men walked the streets looking for jobs that had been destroyed because of shrunken farm-buying power.

The extent to which farm-buying power had declined is indicated by the following table showing the number of hogs, pounds of cotton, and bushels of wheat needed to buy a double wagon in the years from 1921 to 1932:

NUMBER OF BALES OF COTTON (500 LBS.), BUSHEL OF WHEAT, AND 200-POUND HOGS NEEDED TO BUY A FARM WAGON IN THE UNITED STATES, 1921-32

Year	Average wholesale price of double wagon	Cotton needed to buy double wagon	Wheat needed to buy double wagon	Hogs need- ed to buy double wagon
		<i>Bales</i>	<i>Bushels</i>	<i>200-lb. hogs</i>
1921.....	\$118.27	2.07	105	7.6
1922.....	100.80	.97	104	6.0
1923.....	111.05	.79	117	7.8
1924.....	111.15	.63	97	7.5
1925.....	96.90	.93	66	4.5
1926.....	103.07	1.51	80	4.4
1927.....	103.07	1.15	86	5.4
1928.....	103.07	1.14	97	6.1
1929.....	94.24	1.08	90	5.0
1930.....	93.83	1.81	125	5.3
1931.....	86.60	2.83	203	7.4
1932.....	79.19	2.61	210	11.5

\* Compiled in Bureau of Agricultural Economics, Crop Reporting Board.

**Decrease in Price and Increase in Production.**—When farm prices get lower than other prices and the buying power of farm products goes down, farmers struggle to keep on buying the same



amount of goods to which they are accustomed. Therefore, they try to produce more in order to keep up their purchases.

In 1932 when it took, roughly, 2 bales of cotton, 2 bushels of wheat, or 2 hogs to buy what was formerly bought with 1 bale of cotton, 1 bushel of wheat, or 1 hog, farmers naturally tried to raise more cotton, more wheat, more hogs. With shrunken foreign markets this added to an already growing surplus, depressed prices, and still further lowered the buying power of cotton, wheat, and hogs. The more the farmer struggled to keep up standards of living in the only way he knew of, by himself, the worse off he became under such conditions as those of 1932.

**Farmers' Trouble Affects Other Groups.**—By 1932, the net income from farm products had been reduced to a point where farmers were earning neither an adequate reward for their own labor nor a return on their investment. This endangered the life savings of millions of their fellow Americans, for their two chief creditors were insurance companies and banks.

The total value of farm real estate had fallen from about 66 billion dollars in 1920 to about 30 billion dollars in March 1933.

**Delinquent Taxes Close 2,000 Schools.**—Tax delinquency had depleted county funds until shortened school terms and nonpayment of salaries to teachers were becoming more and more general. Because of unpaid 1932 taxes, 2,000 schools in rural areas failed to open in the fall of 1933.

### III. A Fair Deal for Farmers

During the 10-year period before 1932 the farmer found himself gradually being stripped of his capital. He was forced to sell in an open world market and to buy in a protected domestic market. To correct this injustice and to save the nation's business structure the Agricultural Adjustment Act was passed May 12, 1933.

**Parity.**—The yardstick of what is a fair deal for farmers as given in the Agricultural Adjustment Act is called *parity*. The act simply states that the buying power of farm products should be equal to the buying power of those products during the 1909-14 period. This period was selected because there seemed to be a good balance at that time between prices of the things farmers sold and prices of the things they bought. Parity is a balance to be reached but not overreached.

Parity does not mean any given price. Parity for cotton is now about 15 cents per pound, but if all prices go up it might mean next year a price of 20 cents per pound. If industrial prices should go down, 10 cents per pound might be parity for cotton.

**A Fair Deal For Farmers Helps the Nation to Recover.**—The adjustment program is not planned to help farmers simply because they are having a hard time. When their hard time is the result of farm prices so disastrously low that they are completely out of line with other prices, neither the farmer nor the rest of society can possibly prosper. When the farmer loses his buying power, or ceases to be a paying customer, the rest of the country suffers. Under these

circumstances, unless measures are taken to bring farm prices in line with other prices, business is stagnant, factory unemployment increases and depression sets in.

Farmers of the United States have shown in the last 2 years that they do not wish to carry on their farming operations haphazard, without regard to supply and demand conditions in this country and the rest of the world.

#### IV. The Farmer's Choice For Continued Adjustment

The American farmer used to devote 1 acre out of every 4 wheat acres to supplying a foreign market, now gone. One out of every 6 corn acres used to produce for an export trade which has dwindled down until 1 out of 15 corn acres will supply all of the pork products the United States can sell abroad. Three out of every four acres formerly used to raise cotton will supply all the cotton the United States can profitably sell at home or abroad.

**Why Adjustment of Supply to Demand Is Being Tried.**—If American farmers insist on producing the same quantities of wheat, corn, hogs, and cotton as in the 1920's, it seems certain that they will have to accept very low and unsatisfactory prices. Until foreign trade can be revived, or some way is found to boost domestic demand, farmers apparently will need to adjust production to fit demand.

Is there any other way for the immediate present of avoiding disaster similar to that of 1932?

A number of ways have been suggested. Among these ways are: (1) Increase efficiency, cut cost of production; (2) cooperative marketing; (3) reopen foreign markets; (4) live at home, both on the farm and as a nation; (5) fix prices to guarantee cost of production; (6) improve city buying power; (7) induce industry to produce to capacity and let industrial prices fall in accordance with the law of supply and demand, thereby bringing about "parity" between industrial prices and farm prices; (8) return to the "let nature take its course" adjustment of 1932 by doing nothing.

**Cutting Cost of Production.**—For 150 years farmers have been working to increase their yields. It is well known that within certain limits larger yields mean lower costs.

Better farm methods, encouraged by county agents, vocational agriculture teachers, colleges, farm papers, and others, have enabled some farmers to make larger profits.

Farmers are unanimous in declaring that costs, with the best of present machinery and methods, cannot be reduced down to the point where there is any profit left in 5-cent cotton, 30-cent wheat, and 3-cent hogs—farm price levels of 1932.

Also it has been the experience that even though costs of production have been cut, market prices have declined as fast if not faster than such production costs are lowered. This usually is for the reason that cost cuts result in increased production instead of the same production on an economy basis. In this manner the crumbling price structure chases the reduction in production costs in a vicious circle to the loss of the producer. This method thus may place a penalty, in effect, on many farm production economies.

**Cooperative Marketing With Government Aid.**—In spite of the belief that farmers will not stick together in cooperative efforts, a great deal of success has been achieved in efforts to organize cooperative selling and buying associations.

No way has yet been worked out without Government aid, for protecting the majority of loyal cooperators from the unbridled acts of the noncooperating minority.

**Reopening Foreign Markets.**—If the United States is to regain its former foreign markets for farm goods, Americans must buy from abroad. If this country wants to export more farm stuffs it must import more manufactured or other goods from foreigners. Exporting and importing represents a trading of goods back and forth.

However, several factors suggest that foreign trade may not soon return to the level of the 1920's:

1. Making of trade agreements with other countries is bound from their very nature to be a slow process.

2. A large part of American sales during the 1920's was the result of unwise American lending rather than sound purchasing power among America's customers. In order to restore this volume of sales, on a sound basis, purchasing power abroad would have to be built up by letting in an increased volume of imports in this country.

3. Increased production in many parts of the world has both increased competition for world markets and cut the available markets for United States exports by supplying their needs from local sources. This is true of farm as well as industrial products.

**Living at Home as a Nation (Nationalism).**—Those who favor the "Living at Home" policy, point out that America has a generous share of the world's resources and only 6 percent of the world's population. However, America has developed an industrial and agricultural system based on the exporting of surpluses of products.

Farmers might be hit harder than other classes of people by this course. There is a very definite limit to how much people can eat—the human stomach is not elastic. But there is hardly any limit to how much people will buy of manufactured articles if they have the money.

**Living at Home on the Farm.**—In living at home on the farm, the farmers might produce practically all of the food for their families, going without what could not be produced on the farm. This would mean lowering their present standards of living.

There is one other factor that makes this plan impossible for most farmers. They owe so much money that they must sell some of their products in order to meet debts.

**Price Fixing for Cost of Production.**—The method of assuring "parity" or "cost of production" prices by Government price fixing alone is open to serious question. If this method were adopted 1 of 5 things would be almost certain to happen, sooner or later:

1. The Government would take over large quantities of farm products and accumulate huge supplies as the Farm Board did, or

2. The Government would sell its supplies at a loss, making up the difference out of the Federal Treasury, or

3. The Government would fix prices of farm products at cost of production, but would not take over any quantity of these products, in which event farmers or middlemen would find farm products accumulating on their hands, or



4. The Government-fixed prices would in practice generally be disregarded, or
5. Much more drastic control of production and marketing would be undertaken by the Government to support the prices it had named.

**Induce Industry to Produce to Capacity.**—It has long been the custom of industry to maintain high price levels by limiting production to what the market will take at what are regarded as "fair" prices. Industry reduced its production by two-thirds in 1932. Industry thus forced 10 million men out into the streets. If industry were to produce to 1929 capacity, it would put many of the unemployed back to work and restore their lost buying power. By such a procedure, parity might be brought about, but at a lower level.

**Return to "Let Nature Take Its Course" Policy of 1932.**—If nothing is done, farm prices and industrial prices will be brought into adjustment with each other in the long-run—the kind of adjustment America had in 1932. The American public can have that kind of adjustment if it wants to pay the price. This course would ruin a large percentage of the farmers and prolong the depression, but in the long run it would be effective.

The American farmer has an opportunity to choose the kind of adjustment he wants to continue. If he does not make the choice himself on the basis of his own thinking, the choice will be made for him by others, and it may not be to his liking.

## V. Long-Time Planning Opens Way For Rural Youth

Farmers of the United States have shown in the past 2 years that they do not wish to carry on their farming operations haphazard, without regard to supply and demand conditions in this country and the rest of the world. In this matter the elastic mind of youth can appreciate the necessity for a balanced agriculture and can share in the awards of this accomplishment.

Much depends upon the decisions that the American people will make during the next quarter century. These decisions will be made largely by those who are the youth of today. About half of these young people are in the rural areas.

**Farm Youth Faces New Opportunities.**—This Nation in the past has held out promise to its youth and opportunity exists today. Reared in a period of abnormal developments, when judged by past standards, the younger generation has, of necessity, been forced to take into consideration the changes now under way in American methods of living.

Despite depression experiences so recent and vivid, the young people of rural America have seen farm life lifted from an all-time low and started on a course leading toward stable recovery. They have seen the buying power of the farm dollar increased; some relief given from the burden of farm debt; depressive surpluses of agricultural products reduced; protection given to the market for farm goods; a better balance established between the prices farmers get and the prices they must pay; the beginning of a unified course of action on the part of tillers of the soil; an apparent intention on the part of the Government to help agriculture avoid disaster as it was about to develop 3 years ago; and finally the united influence of all

these factors in changing the course of farm life from the direction in which it was moving at the depth of the depression.

**Agriculture's Future Rests on Rural Youth.**—Much that yet remains to be done best can be accomplished by America's rural youth. They have seen agriculture resume its course of progress. If agriculture is to overcome permanently its present handicaps; if it is to adjust production with consumption; put its acreage to the best use; try to regain some of its former foreign trade; retain its domestic markets and hold its prices at a fair "level", it will require real service from those who want it to continue to exist.

The varied problems that confront agriculture may be worked out successfully in the future by means of an open-minded policy. No cut-and-dried plans can be handed down from any central authority. The best information and advice will come from the farmers themselves. Their first-hand knowledge will prove vital in deciding the best methods for controlling production and conserving land, and their studies and experience will guide agriculture along the course that leads to security both for their farm businesses and their farm homes.

Undoubtedly there are many opportunities ahead for rural youth in the course of agriculture's long-time planning operations.

#### SUGGESTED REFERENCES

The following publications may be secured, without charge, from the sources below as long as supplies are available:

- "Farming as a Life Work", Extension Service Circular No. 178; Visual Instruction and Editorial Work, Extension Service, United States Department of Agriculture, Washington, D. C.
- "The Outlook for Rural Youth", Extension Service Circular No. 203; Visual Instruction and Editorial Work, Extension Service, United States Department of Agriculture, Washington, D. C.
- "Achieving a Balanced Agriculture", G-20; Correspondence, Records, and Printing Section, Division of Information, Agricultural Adjustment Administration, Washington, D. C.
- "Reopening Foreign Markets for Farm Products", G-27; Correspondence, Records, and Printing Section, Division of Information, Agricultural Adjustment Administration, Washington, D. C.
- "Facing the Facts in the Agricultural Situation", G-42; Correspondence, Records, and Printing Section, Division of Information, Agricultural Adjustment Administration, Washington, D. C.